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Chester, Clinton, Cromwell,
Deep River, Durham, East Haddam,
East Hampton, Essex, Haddam,
Killingworth, Lyme, Middlefield,
Middletown, Old Lyme,
Old Saybrook, Portland, Westbrook

March 24, 2017

Representative Toni Walker, Co-Chair Senator Catherine Osten, Co-Chair Senator Paul Formica, Co-Chair Legislative Office Building, Room 2700 300 Capitol Avenue Hartford, CT 06106

RE: Cuts to Education Cost Sharing and Payments to the State Teacher Pension Plan

Dear Co-Chairs Walker, Osten, and Formica and Members of the Appropriations Committee:

At their February 22, 2017 meeting, the chief elected officials of the Lower Connecticut River Valley Council of Governments voted unanimously to object to the education cost sharing (ECS) proposal and state teacher pension cost-shift presented in Governor Malloy's 2018-2019 biennium budget. This draconian proposal would create a financial crisis in municipalities across the state. Although we share the Governor's concern for Connecticut's struggling cities and towns, it is not fair to address these issues by singling out specific municipalities for sudden and drastic cuts.

Municipalities have been coping with years of grand list decline and cuts to state funding and services. The fat in municipal budgets has long since been cut. To replace redistributed ECS funds and shifted teacher pension costs, every man, woman, and child in the towns of Clinton, Durham and Killingworth will have to be assessed at least \$423, \$313, and \$298, respectively, more a year in additional property taxes. The residents of these towns and the other affected municipalities pay the same state income and sales taxes paid by residents of municipalities given a windfall in the Governor's proposal. Town of residence should not be a criterion for assessing the burden of state budget deficits.

A \$5.7 million cut has been proposed to the town of Clinton's funding, which is nearly a fifth of the board of education's operating budget. Taxpayers cannot afford to pay the necessary tax increases and affected towns have not time to find new cost savings through regionalization. Meanwhile the precedent of shifting state obligations onto municipalities could result in worse bond rating which will cost municipalities for decades to come.

Connecticut's towns and schools are some of the state's best assets. The Governor's proposal weakens communities and sets up a race to the bottom, in which we all end up losers. The municipalities of Connecticut did not create the financial problems of the state. The state must find its own expense and revenue solutions. We strongly urge you to reject the Governor's ECS and teacher pension proposal.

Sincerely,

Samuel S. Gold, AICP Executive Director

and 1 man